
TITLE 876 INDIANA REAL ESTATE COMMISSION

Final Rule

LSA Document #12-158(F)

DIGEST

Amends 876 IAC to address the educational and examination requirements needed under [IC 25-34.1-4.5](#) (as added by SEA 275 enacted by the 2012 Indiana General Assembly) for license transition of real estate salespersons to real estate brokers by adding [876 IAC 2-15.1](#) regarding course and exam requirements, course topics, and other miscellaneous provisions. Effective 30 days after filing with the Publisher.

[876 IAC 2-15.1](#)

SECTION 1. [876 IAC 2-15.1](#) IS ADDED TO READ AS FOLLOWS:

Rule 15.1. Transition from Salesperson License to Broker License under [IC 25-34.1-4.5](#)

[876 IAC 2-15.1-1](#) License transition; scope of rule

Authority: [IC 25-34.1-2-5](#)

Affected: [IC 25-34.1-3-5](#); [IC 25-34.1-4.5](#)

Sec. 1. (a) This rule establishes the educational and examination requirements for salespersons to obtain broker licenses under the transitional provisions found in [IC 25-34.1-4.5](#). Its provisions apply to broker applicants and broker course providers as applicable.

(b) This rule does not apply to obtaining the following:

- (1) A broker license by reciprocity under [IC 25-34.1-3-5](#).
- (2) A partnership, corporation, or limited liability company broker license.
- (3) A salesperson license.

(Indiana Real Estate Commission; [876 IAC 2-15.1-1](#); filed Jun 11, 2012, 2:54 p.m.: [20120711-IR-876120158FRA](#))

[876 IAC 2-15.1-2](#) Educational requirements

Authority: [IC 25-34.1-2-5](#)

Affected: [IC 25-34.1-4.5](#)

Sec. 2. (a) This section through section 4 of this rule establish the educational requirements.

(b) The broker course shall be twenty-four (24) hours of education as provided for in this rule.

(Indiana Real Estate Commission; [876 IAC 2-15.1-2](#); filed Jun 11, 2012, 2:54 p.m.: [20120711-IR-876120158FRA](#))

[876 IAC 2-15.1-3](#) Applicability of existing broker course provisions

Authority: [IC 25-34.1-2-5](#)

Affected: [IC 25-34.1-4.5](#); [IC 25-34.1-5-4](#); [IC 25-34.1-5-8](#)

Sec. 3. (a) [876 IAC 2-1](#) through [876 IAC 2-5](#) and [876 IAC 2-15](#) shall apply to the twenty-four (24) hour broker course under this rule except for the following, which shall not apply:

- (1) [876 IAC 2-2-2](#).
- (2) [876 IAC 2-2-12](#)(a)(2).
- (3) [876 IAC 2-4-2](#).
- (4) [876 IAC 2-4-3](#).

(5) [876 IAC 2-4-6](#).

(6) [876 IAC 2-5-7](#).

(b) [876 IAC 2-4-5](#) shall apply except that the attendance requirement in [876 IAC 2-4-5\(a\)](#) shall be one hundred percent (100%) for the twenty-four (24) hour broker course.

(c) The limitation in [IC 25-34.1-5-4\(a\)\(2\)](#) to thirty-five (35) students per instructor per classroom does not apply to the transitional broker course under [IC 25-34.1-4.5](#) and this rule.

(d) Except for real estate schools that are applying after the effective date of this rule for initial approval, approval of broker courses under this rule shall be considered significant changes under [IC 25-34.1-5-8](#) and [876 IAC 2-2-12](#).

(e) The reference in [876 IAC 2-15-1\(b\)](#) to [876 IAC 2-10](#) through [876 IAC 2-14](#) shall be deemed to be a reference to this rule.

(f) [876 IAC 2-10](#) through [876 IAC 2-14](#) shall not apply to broker courses under this rule.

(Indiana Real Estate Commission; [876 IAC 2-15.1-3](#); filed Jun 11, 2012, 2:54 p.m.: [20120711-IR-876120158FRA](#))

[876 IAC 2-15.1-4](#) Broker course; subject matter and hour requirements

Authority: [IC 25-34.1-2-5](#)

Affected: [IC 25-34.1-4.5](#)

Sec. 4. The subject matter and hour requirements for the twenty-four (24) hour broker course under this rule are as follows:

Subject Area	Number of Hours
BROKERAGE OPERATIONS	
Broker Business Operations/Relationships	2
Agency Relationships	1
Law of Contract	2
Listing/Purchase Agreements/Other Forms	2
Closing the Transaction/Procedures/Issues	2
Trust Account Management	1
FINANCING AND APPRAISING	
Broker Price Opinion (BPO)/Uniform Standards of Professional Appraisal Practice (USPAP)	2
Financing and Lending Markets	1
Mortgage Fraud	1
Loan Types: Mortgage Markets	1
Credit Scoring	1
GOVERNMENT REGULATIONS	
Consumer Legislation	1
Land Use Controls/Environmental Issues	1
INDIANA LICENSE LAW AND PROFESSIONAL STANDARDS	
Indiana Real Estate License Law	4
Ethics in Real Estate	2

(Indiana Real Estate Commission; [876 IAC 2-15.1-4](#); filed Jun 11, 2012, 2:54 p.m.: [20120711-IR-876120158FRA](#))

[876 IAC 2-15.1-5](#) Transitional broker examination

Authority: [IC 25-34.1-2-5](#)

Affected: [IC 25-34.1-4.5](#)

Sec. 5. (a) [876 IAC 2-17](#) shall not apply to examinations under this rule.

(b) The broker examination under this rule shall be an examination for the testing of real estate brokers.

(c) The broker examination will be administered by the commission's duly appointed agent.

(d) Prior to sitting for the broker examination under this rule, an applicant for a broker license must have completed the twenty-four (24) hour broker course under this rule.

(e) An applicant shall be deemed to have passed the examination upon attaining a score of at least seventy percent (70%).

(f) An applicant who does not pass the broker examination under this rule in three (3) attempts must again complete the broker course under this rule. However, the broker examination under this rule shall not be available after December 31, 2014, so all applicants must pass it by that date or be required to meet all the requirements for the initial licensure as a real estate broker that are in effect on January 1, 2015.

(Indiana Real Estate Commission; [876 IAC 2-15.1-5](#); filed Jun 11, 2012, 2:54 p.m.: [20120711-IR-876120158FRA](#))

[876 IAC 2-15.1-6](#) Miscellaneous provisions

Authority: [IC 25-34.1-2-5](#)

Affected: [IC 25-34.1-4.5](#)

Sec. 6. (a) An applicant who is not yet licensed as a broker, but completed the fifty-four (54) hour broker course under [876 IAC 2-10](#) through [876 IAC 2-15](#) prior to, or after, the effective date of this rule, shall for all purposes, including section 5(b) of this rule, be considered to have passed the twenty-four (24) hour broker course under this rule.

(b) An applicant who is not yet licensed as a broker, but passed the broker examination prior to the effective date of this rule shall for all purposes be considered to have passed the broker examination.

(c) An applicant who had taken and not passed the broker examination before the effective date of this rule shall be allowed to take the broker examination under this rule three (3) times as provided for in section 5(f) of this rule.

(d) This rule shall not be construed to allow any broker applicant who:

(1) applies after June 30, 2014; and

(2) was not previously licensed as a salesperson;

to qualify for licensure without meeting all the requirements for broker licensure then in effect under [IC 25-34.1](#) and this title.

(Indiana Real Estate Commission; [876 IAC 2-15.1-6](#); filed Jun 11, 2012, 2:54 p.m.: [20120711-IR-876120158FRA](#))

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